

BUSINESS LAW SECTION

Franchise Law Committee

REPORT OF PENDING FRANCHISE LEGISLATION

FRANCHISE LAW COMMITTEE MEETING - APRIL 9, 1999

by Rochelle B. Spandorf, Esq.

AB 484

Introduced by Assemblywoman Kuehl on 2/18/99. Would authorize a credit against personal income and corporate income taxes in an unspecified % for costs attributable to developing and distributing intellectual property. The bill intends to create financial incentives for the entertainment industry to remain in CA. However, it logically could be extended to franchising and apply to franchisors either who are based in CA or who license franchisees for locations in CA.

4/7/99: In committee - nothing new.

SB 123

Introduced by Senator Steve Peace on 12/21/98. Would amend B&P 21200 to make in an unfair business practice for a petroleum refiner, distributor, etc. to forbid a branded gasoline franchisee from buying branded gasoline from any vendor in the franchisor's wholesale network.

4/7/99: Looks like Peace canceled the hearing on this bill for the second time.

SB 158

Introduced by Senator Johnston on 1/7/99. Would amend the definition of a motor vehicle "dealer" set forth in the Vehicle Code by repealing the exclusion for charities.

4/7/99: In committee - nothing appears to be happening.

SB 459

This is our bill to add a fractional franchise exemption.

4/7/99: Set for hearing on 4/12.

Franchise Law Committee